

declares the House in recess until approximately 3 p.m. today.

Accordingly (at 2 o'clock and 7 minutes p.m.), the House stood in recess.

□ 1500

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DONOVAN) at 3 p.m.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

#### INVESTOR CLARITY AND BANK PARITY ACT

Mr. GARRETT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4096) to amend the Volcker Rule to permit certain investment advisers to share a similar name with a private equity fund, subject to certain restrictions, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4096

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Investor Clarity and Bank Parity Act".

#### SEC. 2. NAMING RESTRICTIONS.

Section 13 of the Bank Holding Company Act of 1956 (12 U.S.C. 1851) is amended—

(1) in subsection (d)(1)(G)(vi), by inserting before the semicolon the following: "; except that the hedge fund or private equity fund may share the same name or a variation of the same name as a banking entity that is an investment adviser to the hedge fund or private equity fund, if—

"(I) such investment adviser is not an insured depository institution, a company that controls an insured depository institution, or a company that is treated as a bank holding company for purposes of section 8 of the International Banking Act of 1978;

"(II) such investment adviser does not share the same name or a variation of the same name as an insured depository institution, any company that controls an insured depository institution, or any company that is treated as a bank holding company for purposes of section 8 of the International Banking Act of 1978; and

"(III) such name does not contain the word 'bank'; and

(2) in subsection (h)(5)(C), by inserting before the period the following: "; except as permitted under subsection (d)(1)(G)(vi)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. GARRETT) and the gentleman from Massachusetts (Mr. CAPUANO) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey.

#### GENERAL LEAVE

Mr. GARRETT. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GARRETT. I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 4096, the Investor Clarity and Bank Parity Act. I want to thank the primary sponsors of the legislation—the gentleman from Massachusetts (Mr. CAPUANO) and the gentleman from Ohio (Mr. STIVERS)—for their work in bringing this very technical, yet needed, legislation to the floor of the House today.

Mr. Speaker, during this time of divided government, it may come as a surprise to some that the Committee on Financial Services has generated a significant amount of bipartisan legislation since the beginning of 2015. In fact, this Congress our committee has approved over 70 bills, with the vast majority of these receiving bipartisan support, and in many cases unanimous support.

I am pleased that we are able to bring to the floor today a number of bills that received the backing of both Republicans and Democrats out of our committee. One of these bills is the Investor Clarity and Bank Parity Act, which passed out of the committee by a voice vote.

What does that bill do?

Well, this bill corrects a statutory error made in section 619 of Dodd-Frank, more commonly known as the Volcker Rule. The Volcker Rule limited the ability of bank holding companies or their affiliates to invest in hedge funds or private equity funds, collectively known as covered funds.

Now, we had a number of debates in our committee as to the general wisdom of the Volcker Rule and whether it actually reduces systemic risk and protects taxpayers or not. I think one thing we can all agree on is that so long as section 619 is the law of the land, Congress should do what it can to limit any negative and unintended consequences of the Volcker Rule.

Because of the way that Dodd-Frank was drafted, a bank or one of its affiliates was prohibited from sharing its name with a covered fund that it was invested in. By disallowing a covered fund to share a name with the sponsoring entity, this provision of the Volcker Rule could actually lead to more and widespread investor confusion about who is actually managing the assets of that particular fund.

As Jeffrey Plunkett of Natixis Global Asset Management told our subcommittee at a hearing back in February, he said: "We believe that compliance with the name-sharing prohibition of the Volcker Rule . . . risks confusion among investors and burdens

firms that are affiliated with banks, leading to a lack of transparency for clients."

So the fix envisioned here today in H.R. 4096 is really a simple one. It allows a covered fund to share its name with a sponsoring entity in order to provide clarity and transparency to the investor.

I urge all my colleagues to vote "yes" on H.R. 4096.

Mr. Speaker, I reserve the balance of my time.

Mr. CAPUANO. Mr. Speaker, I yield myself such time as I may consume.

I also rise to support H.R. 4096 for the exact reasons that Mr. GARRETT just pointed out. I would like to be as clear as I can. I am a strong proponent and supporter of the Volcker Rule, and I would not support anything that would undermine that rule. That is not what this does. This is simply a clarification of an item that was never intended. Even as a supporter of that rule, this is not the outcome we intended. It is simply to clarify naming abilities by certain entities.

I want to be also clear that nothing in this provision would allow something like the Bank of America Fund. You still cannot name it after a bank. These are subsidiaries of some banks. In this particular case, Natixis happens to be located in my district. They are the ones who brought this issue to my attention. They also happen to be affiliated with Loomis Sayles.

Loomis Sayles is not a bank, but it is an affiliate of a bank. Therefore, Loomis Sayles would not be allowed to say this is a Loomis Sayles item. They have to call it some funny name, ABCD Fund or whatever it might be. That was never the intention of the Volcker Rule.

The Volcker Rule was to make sure that the finances of this country and this world are as stable as possible so that people couldn't have conflicts of interest and on and on and on. This is a technical amendment, something that I strongly support.

Mr. Speaker, I yield back the balance of my time.

Mr. GARRETT. Mr. Speaker, inasmuch as the gentleman has yielded back, has no other speakers, I don't believe that we have any other speakers on this side of the aisle.

I will close by saying thank you to the gentleman for working with us on this and a bunch of other legislation I also hope to bring to the floor sooner rather than later. I encourage Members on both sides of the aisle to support this bipartisan piece of legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. GARRETT) that the House suspend the rules and pass the bill, H.R. 4096.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.